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*Planning America's Security*  
*Lessons from the National Defense Panel*

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*National Defense Research Institute*

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## Preface

This report examines the lessons learned from the first National Defense Panel (NDP), which completed its final report on long-term defense issues in December 1997. Both authors provided analytic support to the NDP in the summer and fall of 1997 and witnessed firsthand the evolution of the NDP, its staff, and, in the end, the panel's substantive conclusions. In the process of preparing this report, the authors drew on their experience, as well as on dozens of interviews with people who were directly involved in or close to the NDP and the related exercise under way at the time, the Quadrennial Defense Review (QDR).

This work was performed within the International Security and Defense Policy Center of RAND's National Defense Research Institute (NDRI), a federally funded research and development center sponsored by the Office of the Secretary of Defense, the Joint Staff, the defense agencies, and the unified commands.

This report is primarily intended for congressional and Pentagon staff with an interest in the workings of future NDPs, as well as future NDP management teams that can benefit from insights based on past events.

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## Summary

This report reviews recent longer-term U.S. defense planning attempts, focusing especially on the NDP. The NDP was established as an independent effort to provide guidance to the Secretary of Defense and the Congress on matters pertaining to the long-term national security of the United States. This report reviews the motivations for creating the NDP, the NDP's relationship to the QDR, the NDP's administrative and logistical experience, and the substantive results the NDP published in its final report. We conclude by discussing in depth some of the lessons learned from the first NDP experience and distilling recommendations for the Congress, the administration, the Department of Defense (DoD), and future NDP management teams.

The substantive recommendations of the NDP report were initially overshadowed by other events that dominated the news headlines in late 1997 and early 1998, most notably the crisis with Iraq. Nevertheless, the report was sufficiently pointed to generate considerable interest—and not a little controversy—within the defense and national security communities. Of particular interest was the report's focus on the need for the DoD to accelerate its reform efforts (the NDP called this a “transformation strategy”) to better position itself to meet the numerous new and unpredictable challenges of the next 20 years.

Over time, the NDP report has had even more impact. By mid-1998, some six months after the report was initially released, it became evident that a number of its specific recommendations were influencing both shorter- and longer-term DoD thinking. The DoD began to explore ways in which it could benefit from the NDP's recommendations on transformation generally and to examine such suggestions as joint experimentation.

On Capital Hill, the NDP was generally well received. Significantly, congressional members had few qualms with the panel's decision to focus on strategic transformation and related issues and not to deal in detail with the future force-structure alternatives called for in the legislation that established the NDP. By spring of 1998, plans to “institutionalize” the NDP as a regular part of the long-term defense and national security planning process had developed on the Hill.

The fact that we can anticipate future NDPs (and future QDRs) motivates this review of “NDP-I.” Although historical accounts are often valuable in their own right, our intent is to reveal and highlight ways to build on the experience of the first NDP to improve the process through which we craft our defense and national security strategy. We emphasize, therefore, issues that may present special opportunities for effective change in future NDPs. We discuss

- **The sequencing of the NDP and QDR.** Originally, the QDR preceded the NDP. There are several reasons, however, to reverse the order, including the fact that the QDR could be informed by the NDP’s longer-term, broader analysis. On the basis of our experience with the NDP and our review of its place and role in long-term U.S. defense planning, we argue that the NDP should precede the QDR.
- **The benefits of early and effective preparation for the NDP itself.** We suggest that the NDP establish a skeleton staff in the summer prior to a presidential election year and that the NDP be fully staffed and functional by January of a presidential election year and deliver its report that December.<sup>1</sup> Similarly, the Congress and the Pentagon may both find it advantageous to keep the panel intact for several months following publication of the NDP report.
- **Advantages of retaining the defense focus of the NDP.** Many observers have suggested that the NDP take a very broad look at national security and deal systematically and in depth with a whole range of nondefense issues. Along these lines, some have suggested replacing the NDP with a “National Security Panel.” We feel that the NDP would lose a significant amount of its identity, impact, and utility if it were to become too diffused. Nevertheless, the NDP can and should take a broad perspective, as NDP-I did. This report recommends that the NDP deal with *critical* nonmilitary dimensions of national security and integrate these issues and analyses systematically into its long-range defense recommendations. Insofar as the NDP raises issues touching on agencies beyond the DoD, these agencies and departments should respond with their reactions to the findings of the NDP.
- **The disadvantages of creating a permanent NDP.** Some people have suggested that establishing a permanent NDP would be helpful in avoiding problems associated with a “cold start” of the NDP every four years. We argue that these advantages are outweighed by the cost of maintaining a

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<sup>1</sup>The link to a new administration is intentional. Many people, including some instrumental in the QDR and the NDP, argue that only at these critical junctures is the policy environment able to accommodate fundamental and strategic adjustments in our defense planning.

permanent staff and facility and by the danger of promoting intellectual rigidities and bureaucratic equities inside the NDP staff. It is important, however, to identify a reliable, neutral institution to maintain NDP records.

- **The necessity and advantages of dealing systematically with resource constraints.** Although the NDP should not confine its thinking *ex ante* with budget constraints, it is unwise to develop strategy in the absence of a resource context. We encourage the NDP to subject its analysis and strategy *ex post* to alternative budget constraints. This would be particularly useful if the NDP precedes the QDR as recommended.
- **The benefits of intellectual breadth on the NDP panel and in the NDP staff.** The NDP will want to retain its core of retired senior military officers and other senior experts. However, if the NDP is to take the broader view and address difficult issues in innovative ways, it needs to draw more extensively on people outside the traditional defense community. Good candidates include technologists, economists, environmentalists, and the like.
- **The necessity to invest in a robust management structure for the NDP.** Managing a group of busy, high-profile, and part-time panelists and a sizable professional staff is a time-consuming commitment. That requires a larger allocation of resources for management and administration than NDP-I enjoyed in its authorizing legislation. In addition to an executive director, the Congress should allow for two additional full-time management positions: a deputy director for administration and a deputy director for research and analysis.
- **The importance of follow-through.** Following the publication of the NDP report, the panelists and staff should mount a stronger effort to engage key players outside of the senior Pentagon leadership. Players should include senior military leaders in the field, as well as other relevant national security officials and the public at large.

## Acknowledgments

In the course of preparing this report, we interviewed dozens of people who participated in the NDP, from those who conceived of it and recommended its creation in the Commission on Roles and Missions report, through the people who drafted the legislation that established the NDP and the QDR, to the panelists and staff, and the people who put the final touches on the NDP report. We are also grateful to RAND colleagues David Chu and Gregory Treverton for reviewing an early draft of this report.



# 1. Introduction

The end of the Cold War, the demise of the Soviet Union and with it our global peer competitor, the threat of proliferation of weapons of mass destruction (WMD), and other factors have made for uncertain national and international security environments in the 1990s and beyond. This complex and dynamic picture has sparked a long-running debate in the United States over defense and national security policies and priorities. Several defense reform efforts have been launched to help the military meet these new challenges. The major reviews and planning exercises prior to 1997 include the Base Force assessment of the Bush administration, the Bottom-Up Review (BUR) of 1993, the Commission on the Roles and Missions of the Armed Forces (CORM) in 1994 to 1995, and Joint Vision 2010 (JV 2010) in 1996. Although these efforts were useful in many ways, concern persisted in the defense community—particularly in the Congress—that the military was not conducting the types of fundamental rethinking of strategies, policies, and force structures required by the new security environment. The National Defense Panel (NDP) was an integral part of an attempt to do that fundamental rethinking, as part of the Military Force Structure Review Act of 1996.

This report identifies key lessons from the first NDP (NDP-I)<sup>1</sup> and makes recommendations to the Congress, the administration, and future NDP management teams about how the process can be made more effective in the future.

The Military Force Structure Review Act called for “a new, comprehensive assessment of the defense strategy of the United States and the force structure of the Armed Forces required to meet the threats to the United States in the twenty-first century.” Specifically, it directed the Secretary of Defense to conduct a Quadrennial Defense Review (QDR) of the defense strategy, force structure, force modernization plans, infrastructure, and other elements of the defense program and policies with an intent of establishing a revised defense program through 2005. The act established the NDP, an independent body, to review the findings of the QDR and to provide an independent appraisal of “a variety of possible

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<sup>1</sup>This exercise is termed NDP-I because future NDPs are planned, and the next cycle could begin as early as 1999.

force structures of the Armed Forces through the year 2010 and beyond." This assignment gave the NDP a unique and ambitious mandate.

The QDR and the NDP were fundamentally different events in terms of origin, purpose, and process. The QDR originated in the recommendation by the CORM (and endorsed by then-Secretary of Defense William Perry) that the DoD conduct a quadrennial review of the defense program at the beginning of each new presidential term. The QDR was conducted within the Pentagon and had a strictly defense focus. Because it had a relatively nearer time horizon (stated as 2005 in the legislation), many of the QDR discussions were driven by resource issues currently under consideration in the future years defense plan (FYDP). The idea for the NDP, on the other hand, developed in the Congress, and its purpose was to influence the QDR process and to look at possible alternatives beyond the QDR time frame. Conducted outside of the DoD as an advisory panel, the NDP was intended to look more broadly at national security interests. Additionally, because the panel looked much further into the future and had limited financial resources and authorized staff, it did not deal extensively with budgetary issues.

This report surveys the experience of NDP-I, focusing in particular on the rationale behind the formulation of the panel, the NDP's staff process, and the panel's message as codified in its final report, released on December 1, 1997. We conclude by discussing the implications of NDP-I for future NDPs or other long-term defense planning exercises.

## 2. Birth of the NDP: Uncertainty in the Post-Cold War Era

The NDP was a congressional initiative. Members and staffers interested in national security issues were searching for a way to get the Pentagon to rethink radically the role, composition, and strength of U.S. military forces. As military planners in DoD were gearing up for the QDR, congressional sponsors saw an opportunity to push the Pentagon to consider real changes for strategy and force structure in this process. The concern was that the DoD would find it difficult to raise and address the most complex and sensitive issues or to challenge established doctrine. The crux of the issue for the Hill was to develop an independent, parallel, and complementary effort to the Pentagon's QDR. The NDP became this effort.

The Congress established the NDP as an advisory commission.<sup>1</sup> This decision reflected recognition of the inherent difficulties that a large organization encounters when it attempts to reform itself. The concern was that the configuration of the DoD made real reform improbable. This stasis was not a function of DoD stonewalling but rather a consequence of bureaucratic politics inside the Pentagon. An independent panel, it was hoped, would both have the critical distance to make tough decisions on defense issues and provide the reformers in DoD the necessary political cover to spark real change.

Approved as part of the Fiscal Year (FY) 1997 Defense Authorization Act in September 1996, the Military Force Structure Review Act codified the NDP and the QDR. The legislation required the panel to perform two functions. First, the panel was directed to provide the Secretary of Defense feedback on the QDR with an in-progress review and then a "comprehensive assessment" upon completion. This grading function was designed in part to motivate the QDR process in real time. In the words of one congressional staffer, the Hill wanted QDR drafters to keep in mind that "we have to talk about X so that the NDP won't kill us." Second, the Congress directed the panel to

conduct [an] assessment of alternative force structures for the Armed Forces . . . to provide the Secretary [of Defense] and Congress recommendations regarding the optimal force structure

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<sup>1</sup>For an excellent treatment of advisory commissions, see Scott Harris, "Effective Advisory Commissions: Insights from Historical Experience," RAND, unpublished.

to meet anticipated threats to the national security of the United States.

The legislation called for the NDP "to develop proposals for an 'above-the-line' force structure of the Armed Forces."<sup>2</sup> This level of detail reflected the congressional desire for an alternative to the QDR, but in the end, this would prove problematic for the panel. The issue of fidelity to the legislation would become important to the panelists and the NDP staff during the second phase of the NDP's work in the summer of 1997.

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<sup>2</sup>Above-the-line force structure is defined in the legislation as an Army division, Navy battle group, Air Force wing, or Marine Corps expeditionary force.

### 3. The NDP Process: Tackling an Ambitious Mandate

The NDP was officially established in December 1996, but it took several months before the effort developed a full head of steam. In time, this fitful start would have significant ramifications throughout the NDP process. The primary reason for this initial lag was the difficulty in achieving consensus on the composition of the panel. The legislation called for the Secretary of Defense to appoint the panel members "in consultation" with the Congress. This somewhat ambiguous formulation led to protracted negotiations between the Hill and the Pentagon throughout December and January. Additionally, presidential elections and the resulting turnover in the administration hampered the ability to focus on establishing the NDP. The panel was finally set in February 1997. Philip Odeen, then the Chief Executive Officer of BDM International, was named the chairman; other members included a recently retired four-star officer from each service and several senior civilian defense experts.

The nine panelists were all highly regarded within their respective fields and their different experiences and perspectives proved to be an excellent mix for the NDP tasks. The retired four-stars—Richard Hearney from the Marine Corps, David Jeremiah from the Navy, James McCarthy from the Air Force, and Robert RisCassi from the Army—were all accomplished and thoughtful additions to the NDP. Richard Armitage and Robert Kimmitt were senior political appointees during the Bush administration: Armitage served as the Assistant Secretary of Defense for International Security Affairs, while Kimmitt was the U.S. Ambassador to Germany and then the Undersecretary of State for Political Affairs. Two senior defense analysts—Andrew Krepinevich from the Center for Strategic and Budgetary Assessments and Janne Nolan from the Brookings Institution—completed the panel.

From their first meeting, the panel faced serious impediments to effective work. As mentioned above, the NDP got a late start. Second, the panel took time to assemble a full professional staff. The NDP legislation authorized the chairman to appoint an executive director and four additional individuals to assist the panel in the performance of its duties. Although some of the core staff were hired for the review of the QDR, a fully functional staff—some 35 people, mostly detailed from the uniformed services—was not fully operational until June, only four months before work on the final report was scheduled to begin in October.

In their efforts to follow the legislation's direction for alternative force-structure development, the NDP staff developed an eight-step analytic process designed to progress from national security objectives down to the necessary force structures to meet those challenges. Initially, this process focused on developing alternative future worlds that would challenge national security in 2020. From these futures, the staff developed six strategy options, ranging from an isolationist Fortress America to enhanced multilateralism, for the panel to consider. The methodology then concentrated on deriving operational concepts from these strategies that would assist in the selection of force elements and the building of force structures, the end goal of the process. Multidisciplinary working groups, consisting of NDP professional staff members, representatives from each armed service, a representative from the Department of State, and outside analysts from federally funded research and development centers (FFRDCs) and other organizations, worked throughout the summer.

Ultimately, however, the process ran into major problems. It proved to be extremely difficult to build force structures as envisioned in the legislation. Given the technological uncertainty of the future, the time limitations of the inquiry, and the limited staff, the panelists concluded that developing alternative force structures for the period beyond 2010 was beyond their reach. Additionally, panel members felt that the process was limiting their focus to discussions of things (force elements, structures) that could be vastly and unpredictably different in the world of 2020.

By mid-September, the panel members decided to stop the eight-step analytic process. The NDP persuaded constituencies on Capitol Hill that it would be better to take a more general view in their look over the horizon rather than attempt to develop specific force alternatives, even though the NDP itself had earlier emphasized the connection between strategy and force structure. As a result, the panelists began to concentrate their message on the need to "transform" the military in the coming years. The panelists continued to hone this message of transformation as they began the final report in October.

## 4. The NDP Message: From Alternative Force Structures to Transformation

### Assessing the QDR

In tackling their first task, evaluating the QDR, the panelists immediately showed their inclination for a broad examination of national security issues. In its March 14th in-progress letter to Secretary Cohen, the NDP expressed its concerns about the draft QDR strategy. The panel argued, for example, that

the overall strategic direction [of the QDR] may not give sufficient emphasis to addressing longer term challenges, which may be very different in scale and form from those we will confront over the near term.

Moreover, the NDP contended that the QDR was not adequately addressing the defense strategy's relationship to other national security strategy issues such as foreign assistance, overseas diplomatic presence, and national intelligence capabilities.

The NDP made similar comments in its formal response to the QDR final report in May. Although panelists agreed with many of the QDR's findings and recommendations, the NDP found the QDR lacking in a number of areas. In the area of strategy, for instance, the panel remarked that there was "insufficient connectivity between strategy on the one hand, and force structure, operational concepts, and procurements decisions on the other." The panel also noted that, in the future, "greater attention needs to be given to the important role played by other elements of the national security establishment, as well as the critical support provided by our allies." Although the last comment was not solely directed at the Pentagon, it did show the broad interpretation the panel had of its mandate.

### Honing the Message

In shaping their message for the final report, the panelists faced three core issues that illustrate some of the frictions between the panel's statutory responsibility and the message its members wanted to convey. First, as mentioned earlier, the panel recognized that it could not deliver the alternative force-structure options that the legislation had directed it to provide. A number of factors contributed to this. First, the political and institutional diversity that characterizes such panels

as the NDP tends to impede achieving a consensus on divisive issues. It should come as no surprise that the NDP, with a recently retired four-star from each of the services, as well as other senior people with their own priorities, would find it challenging to reach a detailed consensus on difficult problems. Moreover, the more time the panelists spent trying to position themselves intellectually 25 years in the future, the more pessimistic they became about their ability to develop above-the-line force-structure recommendations. With technology changing so rapidly and the military on the cusp of a so-called revolution in military affairs (RMA), the NDP concluded that agreeing on force structures in any detail was a dubious proposition at best, especially given the NDP's staffing, scheduling, and other constraints.

As a result, the panel shifted its focus from the detailed eight-step analytic process developed by the staff to the more strategic message of transformation. The panel believed that a clear message emphasizing the process of strategic change rather than specific recommendations on force structure would be more useful in the end, especially given the detailed nature of the QDR effort. Developing a framework for an open process of experimentation, innovation, and change, they argued, was much more important than any concrete proposals from a panel of "wise men." Although there would inevitably be "false starts" in this process of change, the NDP believed that a transformation strategy would better lead the American military into the next century.

The second major issue, a consequence of this shift of focus, was that much of the investment in the supporting analytic work became largely irrelevant to the final NDP report. As a result, the NDP's message was based ultimately on the informed opinion of the panelists and not necessarily on an extensive analytic foundation. The panelists had over 300 years combined experience in national and international security issues, but by the time the panelists shifted away from the staff's analytic exercises, they had little time left and were neither organized nor prepared to undertake extensive, rigorous analytic exercises in defense planning themselves. Future NDPs will want to think hard both about the division of labor between staff and panelists and plan carefully the analytic support agenda of the staff.

A third and related problem that the NDP grappled with was the appropriate level of specificity for the report. The panel tried to strike a balance between general strategic issues and specific budgetary line items, strongly leaning toward the former. One panelist recalled that the last thing the NDP wanted was to have armies of contractors lining up outside their doors to lobby for specific programs. Fundamentally, the panel wanted to stay above the budgetary fray



and to rely on such ideas as joint experimentation to lead to specific force-structure development down the road.

## Transformation: The NDP Message

The final report of the NDP was released on December 1, 1997. Entitled *Transforming Defense: National Security in the 21st Century*, the report argued that "[t]he United States needs to launch a transformation strategy now that will enable it to meet a range of security challenges in 2010 to 2020." This transformation strategy was deemed necessary because "[c]urrent force structures and information architectures extrapolated to the future may not suffice to meet successfully the conditions of future battle." Additionally, the report argued that the country must also transform "the manner in which we conduct foreign affairs, foster regional stability, and enable projection of military power."

As chairman Odeen stated in his letter presenting the report to Secretary Cohen, the panel defined success as stimulating "a wider debate on our defense priorities and the need for a transformation to meet the challenges of 2020" rather than providing a laundry list of specific measures to be implemented. As a result, the report called for a broad national security approach that includes adapting international alliances to the new security environment and examining the entire national security structure to better anticipate and shape changes in the international environment.

The panel did make a few specific recommendations. The report called for an increase in joint operations and joint experimentation to institutionalize innovation, experimentation, and change. The panel also argued for a \$5 to 10 billion annual budgetary wedge to fund the transformation strategy. Although the NDP report did not develop a clear strategy for achieving this wedge, the panel did expect to realize savings from base closings and acquisition reform. Additionally, the panel publicly singled out a few currently planned purchases as examples of the kinds of weapon systems that may be unnecessary in the future. The substantive focus of the report, however, was on the idea of transformation. The panel concluded that if the American military refused to change in a timely manner, "we risk being fundamentally unprepared for the future, thereby putting in question the security of future generations of Americans."

## Impact of the NDP Message

The critical importance of any panel, including the NDP, is not its immediate reception, but its lasting effect on debates in the policy community.

Initially, the panel's message was almost drowned out by a combination of bad timing, bureaucratic shortfalls, and an unreceptive media. The crisis over Iraq in December and January overshadowed the release and initial impact of the final report. In addition, the fact that the staff disbanded after December 1 significantly hampered the ability of the NDP to get its message out in early 1998. The NDP's testimony before the Congress in January was well received there, but relatively few others inside defense circles, and virtually none outside of them, paid the NDP report much notice.

In his analysis of the effectiveness of advisory commissions, Scott Harris argues that this type of response is not surprising. Harris contends that the "success" of an advisory commission cannot necessarily be gauged at a single point in time.<sup>1</sup> For example, a commission could have an educational effect within a certain policy community that will lead to adoption of the original recommendations at a later time. Thus, the lack of immediate impact did not surprise the panelists. Philip Odeen noted, for instance, that the QDR and the NDP were unlikely to create real change in the Pentagon until after the turn of the century because of the difficulty in reversing the course of DoD bureaucracy. "The real impact is going to be seen in 2001," he said, when the Pentagon is required to conduct another strategy review.<sup>2</sup>

Nevertheless, over time, the NDP ideas have begun to percolate up in discussions throughout the defense community. The idea of joint experimentation, for example, has been seized by the Pentagon and made a responsibility of the Atlantic Command. Furthermore, the language and ideas of the final report continue to appear in policy discussions and articles in the defense community. It is likely that these and other issues raised by NDP-I will continue to help shape the defense debate, if not defense policy, for several years to come.

Planning for the next round is also moving forward. Legislation is under consideration to require the NDP to precede the QDR during the next iteration of the review cycle. In a separate effort, the 21st Century Security Strategy Group is

<sup>1</sup>Scott Harris, "Effective Advisory Commissions: Insights from Historical Experience," RAND, unpublished.

<sup>2</sup>"NDP Chairman Sees Little Change in Defense Strategy in Near Term," *Defense Daily*, January 16, 1998, p. 1.

planning to look at the entire spectrum of national security to determine whether existing structures and procedures are appropriate to 21st century needs.<sup>3</sup> It is these subsequent reviews that will ultimately testify to the true success or failure of the inaugural NDP. As the country begins to prepare for these exercises, then, it is important to draw lessons learned from the NDP-I experience and assess their implications for future reviews and long-range defense planning exercises.

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<sup>3</sup>The 1998 Defense Appropriations Act provided \$3 million for the 21st Century Security Strategy Group. The study group is planned to last three years and is expected to concentrate its efforts on developing recommendations to adapt the national security architecture and organizational structure for the next century.

## 5. Implications

As noted earlier, both the QDR and the NDP may become "institutionalized" after their first rounds. Both exercises are as complex and challenging as they are important, and it is useful to draw implications from the initial experience. Although the observations and recommendations below focus on the NDP, we recognize that the NDP and QDR are most useful when thought of as integral parts of a larger long-term defense planning effort.

### An NDP or a National Security Panel (NSP)?

The NDP is most effective as a tool when it encourages the defense and national security establishment to grapple with the tough issues of the day by raising difficult issues of DoD policy. These include asymmetric cuts in budgets across services, reassigning responsibilities from one agency to another, and exploring international issues that are too sensitive for the government to air publicly on its own.

A key issue for such a bare-knuckled analysis is properly bounding the exercise. If it is too narrow, important issues will be left unaddressed. If it is too broad, the report risks losing relevance because it lacks focus or a clear place in the bureaucratic framework. Striking the right balance between focus and context was indeed a concern among the NDP-I panelists and staff, as well as within the broader defense community that eagerly anticipated the NDP's report.

Some observers argued that the NDP ought to serve exclusively as a motivator for the DoD and, in that way, as a direct counterpart to the QDR. Their logic was that the Pentagon, by virtue of its special role in national security, its need for comprehensive planning integrated across services, its long lead times for investments in future capabilities, and its dominant claim on national resources, is unique in its needs and therefore requires its own long-term review process. Moreover, a focus on defense and the NDP's link to the Office of the Secretary of Defense (OSD) creates a logical institutional home for the long-term review and clearly assigns responsibility to OSD to support the NDP's work and respond to its findings and recommendations.

Others have argued that NDP-I, with its emphasis on military-related threats and future alternative force structures, was too narrowly defined, in part because the

Pentagon already has its QDR, as well as other long-term planning efforts. These observers argued that future NDPs should be recast as "NSPs." These NSPs would address the full spectrum of national security threats without a predetermined emphasis on any set of issues, military or otherwise. By necessity, the NSP would also address in depth all relevant U.S. government departments and agencies, their mandates, operations, and relationships.

For its part, the authorizing legislation for NDP-I clearly emphasized military-related threats (including "nontraditional" threats such as information warfare) and alternative force structures, but left the NDP room to address issues it identified as germane to long-term U.S. security interests, whatever their source.

As it evolved, NDP-I took a middle course, focusing on military-related issues while making a case that DoD must do more to consider the broader national security context as it prepares its longer-range defense plans. NDP-I observed that both the threats to U.S. national security and the tools available to the United States to advance its security interests are increasingly diverse and increasingly not military-dependent. In many cases, such as cyber attacks on nonmilitary U.S. assets, the role of the U.S. military is unclear. In other cases, such as urban warfare, the role of the military is perhaps more obvious but also more controversial.

Importantly, NDP-I did not go much beyond identifying the broader context and signaling the need for a fuller and more substantive integration of military and nonmilitary dimensions of U.S. national security. Future NDPs should pick up this task and give real substantive and analytic content to the *critical* nonmilitary aspects of U.S. security strategy and integrate them more fully with the longer-term defense strategy.

It is also appropriate that future NDPs be formally assigned special tasks that address specific needs of the defense and national security planners of the country at the time. These tasks could be strictly military-related or could address other dimensions of national security. The assignment could be as narrow as reviewing long-term missile defense plans or as broad as providing recommendations on revising the National Security Act of 1947. The NDP should continue to have the latitude to identify and address other priority issues on its own.

To the degree that future NDPs address nonmilitary issues, the relevant executive branch agencies will need to be more engaged. Although NDP-I panelists and staff met with representatives of most of the relevant U.S. government agencies in the course of their work, the NDP-I report did not provide as much concrete guidance to these agencies as future NDPs may want

to do. Among other things, the NDP could identify interagency recommendations or taskings to, for example, DoD and the Justice Department or the Department of State and the Defense Intelligence Agency. It would also be useful for the departments of State, Justice, Treasury, Energy, etc., to respond formally to the analyses and recommendations that bear on their policies, plans, and operations. The Congress can play a useful role by encouraging these agencies to respond to future NDP reports.

**Recommendations:** Retain the NDP and do not switch to an NSP. Encourage the NDP to deal in depth with critical nonmilitary dimensions of national security and integrate these issues and analyses systematically into its long-range defense recommendations. Identify special priorities, military and nonmilitary, in authorizing legislation, and allow NDP wide latitude to address other critical national security issues at the panel's own initiative. Require that all relevant U.S. government agencies and departments respond to the findings of the NDP.

## Sequencing and Scheduling

Many observers feel that the order of the NDP and the QDR should be reversed. The logic is that the NDP, with its more distant time horizon and broader mandate, is most effective if it provides a context for the QDR, which is a resource-driven, policy document. This is sound logic. Further, although the QDR need not agree with or adopt the contextual parameters of the NDP, it should at least acknowledge the parameters and explain any deviations it makes. If it is deemed helpful for the NDP to "grade" the QDR, this task can be added for the panelists to complete at a later time.

Scheduling the NDP prior to the QDR will change the NDP in significant ways. First, future NDPs will not enjoy the type of real-time input from DoD's QDR team that NDP-I did. This input was useful to the NDP as it began its review and planning process, but it simply will not be available if the NDP comes first. This gives additional support to the recommendation that the NDP needs to look at the big picture. Without detailed input from the QDR process, the NDP will have little choice. This is not a high price to pay.<sup>1</sup> The NDP can identify the tough questions and focus on strategic issues and contribute significantly to DoD and the QDR planners. The NDP's value will, by its nature, be in its treatment of strategic choices and trade-offs, its identification of emerging threats, and its

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<sup>1</sup>If the NDP were to precede the QDR and make recommendations concerning detailed, near-term force structure changes, DoD would have to go through its own exercise anyway. It cannot rely on an independent group for that kind of input, no matter how prestigious.

ability to raise questions too sensitive for the Pentagon or the government to raise themselves.

The NDP panelists should be nominated by the Secretary of Defense and approved by the Congress in the summer prior to a presidential election year. NDP-II panelists should therefore be chosen in the summer of 1999. By late summer, a skeleton staff, responsible for all of the initial organizational responsibilities inherent in starting a new organization, should be established. By January of the following year, the NDP should be fully functioning and ready to begin work in earnest. In December, after the election, the NDP can present its report to the Congress and the incoming administration, which would in short order initiate the QDR process at the Pentagon. If desired for the sake of continuity, select members of the NDP staff—many of whom are military detailees—could participate in the QDR upon their return to their service jobs.

It would be advantageous for the panelists to make themselves available for several extra months to participate in congressional hearings and, if the Secretary of Defense desires, provide input to the QDR effort. It is important to emphasize, however, that the NDP is intended to be an independent exercise and the QDR an in-house exercise. Overlapping the staffs should be done selectively and with care to avoid compromising the comparative advantages of the two efforts.

**Recommendations:** Require that the NDP precede the QDR. Establish the NDP with a skeleton staff in the summer prior to a presidential election year. Require that the NDP be fully staffed and functional by January of a presidential election year and deliver its report that December. The Congress and the Pentagon may both find it advantageous to call on the panel or individual panelists for several months thereafter.

## **A Permanent NDP?**

Some have argued for establishing a permanent NDP and maintaining a small staff in between the times when the NDP is up and running at full steam. They argue that this would avoid a "cold start" every four years and thus the types of delays that beset NDP-I. They also assert that this arrangement would ultimately result in a more coherent set of analyses and recommendations over time. Another justification is that a permanent staff would facilitate public access to the NDP report and other relevant materials.

All of these points have merit but fall short of presenting a compelling case for institutionalizing yet another permanent commission at taxpayer expense. If future NDPs follow the schedule suggested above, the problems with cold starts

should be avoidable—at much lower cost. Second, each NDP should produce as fresh a review as possible of long-term national security and planning issues, and a permanent staff, even a small one, would risk that freshness by virtue of its ties to past efforts. Public access to relevant NDP documents is vital and should be maximized wherever possible. The Congress should examine possibilities for the maintenance of the NDP Web site and records in between NDP cycles. There are any number of reliable, neutral sites, such as the Congressional Research Service or perhaps the National Archives.

**Recommendations:** Do not create a permanent NDP. Identify a reliable, neutral institution to maintain NDP records.

## Resource Constraints

NDP-I did not deal in depth with resource constraints. Although the argument that out-of-the-box thinking should not be constrained by concerns about resource scarcity has significant merit, it should not be taken too far; the choice between innovative planning and dealing with resource constraints is in most respects a false one. Resources and strategy are really two sides of the same coin; budget constraints and the trade-offs they require are both critical parts of any strategy or planning exercise. Moreover, even at an aggregate level, the NDP can provide valuable input on the critical question of “how much is enough?”

To be sure, the thinking and analysis underpinning a long-term planning exercise, such as the NDP, should not and need not be prejudiced by uncertain projections of budget constraints 15 or 20 years in the future. Still, the NDP report could be made even more useful if it projected two or three different budget scenarios and then described the impact of these alternative constraints on its long-term strategic analysis. It would be inappropriate for the NDP to endorse the funding of any particular activity or system, but it would be appropriate for the NDP to discuss the pros and cons of trade-offs at a strategic level that might be necessitated by budget constraints and to identify significant new programs that could be added with a marginal dollar.

This exercise would be a useful contribution to the Congress and the Pentagon, including QDR planners, especially if the NDP precedes the QDR. Care must be taken, however, not to let resource and trade-off issues become politicized and to keep the discussion at the national strategy level.

**Recommendation:** Encourage the NDP to subject its analysis and strategy *ex post* to various budget constraints.



## Panelists

NDP-I enjoyed the contributions of nine outstanding independent experts on national defense. The participation of a retired senior military officer from each service provided invaluable practical knowledge and conceptual understanding of the complex defense issues the NDP faced, while avoiding service bias. Several of the other panelists had served in the armed forces in addition to having developed impressive credentials as defense experts in their civilian careers.

Without doubt, future NDPs will want to maintain the first-rate level of defense and military expertise that NDP-I enjoyed. Beyond that, they will want to include one or perhaps two panelists who are not recognized experts in military affairs but who will bring uniquely valuable perspectives on relevant issues to the NDP process by virtue of their expertise in other areas. Good candidate disciplines would include economics and business, future technologies, space, environment, and even international relations. This will mean broadening the understanding of the legislation's language on nominating "individuals . . . who are recognized experts in matters relating to the national security of the United States" or explicitly defining national security in broader terms. The panel may also find it wise to tap into the "next generation" of experts. In doing so, the panel will not only have the benefit of fresher, if less experienced, thinkers and practitioners but will also help to develop the country's cadre of up-and-coming defense strategists.

NDP-I panelists were appointed by the Secretary of Defense with the "consultation" of the Congress. This is an appropriate arrangement in theory because both the Pentagon and the Congress would have a good comfort level with the panelists. In the course of setting up NDP-I, however, the Congress and the Pentagon were not sure how to organize their collaboration, and the process took too long, delaying the start of the NDP by some two months, consuming valuable time that could have been spent in long-term defense planning. There were also signs that the administration was less efficient in identifying its candidates than it might have been.<sup>2</sup>

The chairman of the NDP needs to be able to commit at least three days per week of his or her time to the panel. Less than that and the chairman risks losing control of the agenda, schedule, and process of the panel. Other members should be required to commit slightly less than the chairman does, say two days per

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<sup>2</sup>One important change would be to identify panelists early on so as not to become mired in political considerations that arise close to elections.

week. If the panel members are less involved than this, there could well be an overreliance on staff for much of the analytic heavy lifting.

**Recommendations:** Encourage future NDPs to reach out beyond traditional defense experts. Rationalize the panel nomination and vetting process to make it more efficient. Identify panelists earlier in the process. Require the chairman to devote at least three days per week to the NDP.

## NDP Management

Management of the NDP staff should be given more attention in future legislation than it was in the legislation authorizing NDP-I. The legislation states only that "The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director, and a staff of not more than four additional individuals . . . ." But managing a group of busy, high-profile, and part-time panelists; a sizable permanent staff; and relations with numerous outside constituencies requires more management resources than this language allows.

In particular, in addition to a full-time executive director, the legislation should create and fund the positions of deputy director for administration and deputy director for research and analysis. The executive director should be the full-time alter ego of the part-time panel chairman and participate fully in all panel meetings. The deputy director for administration would function as a chief operating officer, overseeing the day-to-day management issues involved in running a staff of some 40 professionals and the NDP's business relationships with various outside contractors. The deputy director for research and analysis should manage the research and analytic tasks of the staff and reach out to the research and analytic communities for additional support. A senior civilian expert should fill this position to avoid any service bias.

**Recommendations:** In addition to the NDP executive director, create full-time positions of deputy director for administration and deputy director for research and analysis in the authorizing legislation.

## Professional Staff

Proper staffing of an independent commission or panel is vital to a successful outcome. Normally, panel members have other professional responsibilities and are unable to spend much time doing their own support work. Panel members' time should be reserved, to the extent possible, for substantive and analytic

work. They will also need to reach out to key constituencies and oversee the writing of a final report.

Staffing of NDP-I was problematic in a number of respects. First, NDP-I did not have a full, functioning professional staff until June 1997, some five months after the NDP was established by law and only four months before report writing commenced. This left too little time for serious analysis on the scale envisioned in the authorizing legislation or, indeed, by the panelists themselves.

The core of the NDP-I staff was composed of military professionals, who possessed unparalleled competency in military affairs. This concentration of military expertise is necessary because of the wide range of complex military issues that are central to the NDP. Unfortunately, however, the NDP-I staff did not have the substantive breadth it needed to deal satisfactorily with many nonmilitary dimensions of national security, although several senior staff members advocated taking a broader view. As NDP-I argues, these dimensions of national security are critically important. The NDP cannot afford to rely on the occasional seminar, briefing, or paper commissioned from outsiders to fill these analytic needs. To the contrary, the NDP must have its own in-house talent for these needs and a comprehensive plan to integrate these issues into its analyses systematically. Otherwise, the NDP runs the risk of publishing only "contained punditry," as one panel member warned. Although it is difficult to attract the best and the brightest on short notice for a temporary assignment, it is worth the NDP's effort. By starting earlier as recommended above, the NDP management has a better chance of finding and attracting good people. Further, the NDP should examine ways to tap the civilian faculties of the military academies, as well as the expertise in the think-tank world and the intelligence community.

The NDP staff, especially those who are detailed from active service duties, must have complete allegiance to the NDP and must suspend, to the extent possible, any competing or conflicting interests they may have. This is difficult in any event and even more so when detailees' report cards are written by their superior officers in their regular chain of command and not by their NDP management.

**Recommendations:** NDP management should ensure that a fully functioning staff is in place when the NDP begins work, i.e., in January of a presidential election year. Place more emphasis on the recruitment of civilian experts from a variety of relevant disciplines. Stipulate that NDP management provide official performance reviews of detailees from the services and other agencies to ensure that detailees have appropriate performance incentives.

## Reach Out, In, and Down

Communicating the results of the NDP is critical to the panel's ultimate effectiveness. The management of NDP-I did an excellent job of reaching out to the senior military and national security leadership both during its deliberations and after the report was published. It also kept key members of the Congress and their staffs briefed.

Future NDPs should build on this example. In particular, following publication of the report, the panelists and management need to work hard to drive the report's recommendations into the core of the national security system. Some of this will happen if future NDPs address more concretely the challenges faced by departments other than DoD, forcing those departments to deal seriously with NDP conclusions. Beyond that, it would be helpful for the NDP to reach out to the colonels and brigadier generals who are responsible for the day-to-day operations of major military programs. The long-term impact of the NDP on the responsibilities of these men and women can be significant. These officers would benefit from a fuller dialogue on the substantive NDP recommendations. Many of these officers will have broader, more strategic policymaking roles in the future and will deal directly with shaping longer-term defense policy.

**Recommendation:** Mount a stronger effort to engage key players outside of the senior Pentagon leadership.

## 6. Conclusions

This review of the NDP reached a number of important conclusions that should inform the thinking and debate over how to organize and conduct future long-term defense planning exercises:

- **The relationship of the NDP to the QDR is critical.** Leaders in the Congress, the Pentagon, and elsewhere in the national security establishment should focus considerable attention on getting that relationship right. The two efforts can be complementary and reinforcing to everyone's benefit. Although there are arguments to the contrary, we feel it is most productive for the NDP to precede the QDR. The Congress also needs to consider how it tasks the NDP and the QDR in terms of substantive analysis and recommendations, so that each effort is appropriately organized and staffed and so that each clearly understands its own mandate, as well as the other's.
- **The NDP should maintain its focus on defense issues but should do more to integrate its findings and recommendations into the broader national security agenda of the United States.** NDP-I took an excellent first step by identifying many of the relevant national security themes. Future NDPs can be of even more value if they take the next step of integrating defense and national security policies.
- **Planning and establishing NDPs should be done earlier in the planning cycle.** Specifically, panelists should be nominated by the Secretary of Defense in the summer prior to a presidential election year. By late summer, a skeleton staff should be in place, and by the following January, the NDP should be fully functioning.
- **Maintaining a permanent NDP is unwise.** It would be costly, and the NDP's independence would be jeopardized by institutionalizing staff and management.
- **NDPs should be required to deal more systematically with resource constraints than NDP-I did.** The NDP is not best thought of as a "resource driven" exercise, though, and it does not make sense to ask it to deal with resource issues in the detail that the QDR typically would.
- **NDP panelists should be drawn from a wider array of senior experts.** Further, to deal more authoritatively with nonmilitary dimensions of national security, the NDP chairman should devote at least three days per

week to the panel. Other panelists should commit at least two days per week. Considerable attention needs to be given to the division of labor between panelists and staff.

- **NDPs require more management resources than NDP-I was allocated.** The executive director should be bolstered by two deputies, one for administration and one for research and analysis. All three slots should be full-time jobs.

Finally, and most importantly, although the focus of the NDP will ultimately be on "inside the beltway" issues and although future panelists and staffs will largely come from inside the beltway, we should not forget the value of reaching out. Many people we spoke with voiced their desire to see a broader spectrum of people involved in the NDP process and indicated that there would have been value added in getting the NDP message to a broader group of people. We concur. Ultimately, the strategic issues the NDP raised are worthy of national discussion and debate, and resources devoted to a public dialog on these issues are resources well invested.